

Assessment

Module 2: Wage and Tip Income

Part 1

Answer the following multiple-choice questions about wage and tip income by clicking on the correct answers. To assess your answers, click the *Check My Answers* button at the bottom of the page.

1) The Wage and Tax Statement is also known as

- ☐ A. Form W-2.
- ☐ B. Form 1040EZ.
- ☐ C. Form W-4.
- ☐ D. None of the above

2) Which of the following is true?

- ☐ A. Only tips paid in cash are taxable.
- ☐ B. Only tip income reported on Form W-2 is taxable.
- ☐ C. Tip income is not taxable.
- ☐ D. All tip income is taxable.

3) Which of the following is not reported on Form W-2?

- ☐ A. Wages, tips, and other compensation
- ☐ B. Federal income tax withheld
- ☐ C. Medicare tax withheld
- ☐ D. The number of withholding allowances claimed by the employee

Part 2

Review Form W-2 for Noriko Miyahara by clicking the button *View Form W-2*. Then, answer the following questions by typing your answers in the space provided or by clicking on the correct answers. To assess your answers, click the *Check My Answers* button at the bottom of the page.

[View Form W-2](#)

1) Who prepared the Form W-2?

Type Answer Here

2) Form W-2 is used to prepare the employee's tax return.

- ☐ A. True
- ☐ B. False

3) The employee and the federal government both receive Form W-2.

- ☐ A. True
- ☐ B. False

4) How much did Noriko Miyahara earn?

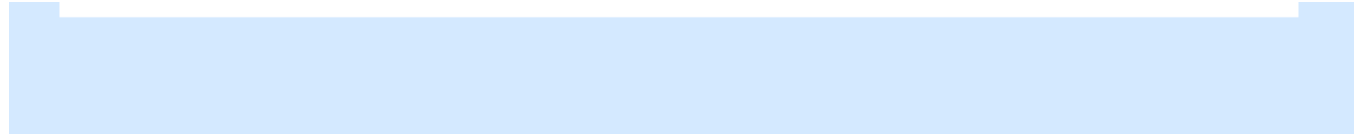
Type Answer Here


5) Did Noriko Miyahara have Social Security tip income?

- ☐ A. Yes

☐ B. No

Check My Answers



		a Employee's social security number		Safe, accurate, FAST! Use  Visit the IRS website at www.irs.gov/efile .	
b Employer identification number (EIN)				1 Wages, tips, other compensation	
c Employer's name, address, and ZIP code				2 Federal income tax withheld	
		3 Social security wages		4 Social security tax withheld	
		5 Medicare wages and tips		6 Medicare tax withheld	
		7 Social security tips		8 Allocated tips	
d Control number		9 Advance EIC payment		10 Dependent care benefits	
e Employee's first name and initial Last name Suff.		11 Nonqualified plans		12a See instructions for box 12	
		13 Statutory employee Retirement plan Third-party sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		12b	
		14 Other		12c	
				12d	
f Employee's address and ZIP code					
15 State Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name

Form **W-2** Wage and Tax Statement

2007

Department of the Treasury—Internal Revenue Service

Copy B—To Be Filed With Employee's FEDERAL Tax Return.
 This information is being furnished to the Internal Revenue Service.